		UTAH (	DIL AND GAS CON	SERVATION CO	OMMISSION			
REMARKS: WELL LOG		ECTRIC LOGSFILE	water sands_ 2.28.97	LOCATIO	ON INSPECTE		SUB. REPORT/abd.	
			100					
DATE FILED 9-2  LAND: FEE & PATENTED	2-95 FFF STATE	LEASE NO	Р	UBLIC LEASE NO.	PATENTI	=D 1 A	AND INDIAN	
		BER 25, 1995					TO ALL	
COMPLETED:		PUT TO PRODUCING:						
INITIAL PRODUCTION:								
GRAVITY A.P.I.								
GOR:								
PRODUCING ZONES:		-						
TOTAL DEPTH:								
WELL ELEVATION:		_			·			
DATE ABANDONED:	2.28.97	LA						
FIELD: UND	ESIGNAT	ED				• • • • • • • • • • • • • • • • • • • •		
UNIT: NA								
COUNTY: CAR	BON							
WELL NO. FOT	ES ET A	L 13-91		A	PI NO.	43-0	007-30287	
LOCATION 860	'FSL	FT. FROM (N) (S) LINE, 860 T	FWL	FT. FROM (E) (W) L	INE. SW	SW	1/4 - 1/4 SEC. 13	
					<b></b>			
TWP. RGE.	SEC.	OPERATOR		TWP.	RGE.	SEC.	OPERATOR	
14 S 9 E	13	RIVER GAS COR	PORATION					



### **RIVER GAS CORPORATION**

511 Energy Center Blvd. Northport, Alabama 35476 Phone (205) 759-3282 Fax (205) 759-3188

August 30, 1995

Mr. Michael Hebertson Utah Board of Oil, Gas, and Mining Suite 350, 3 Triad Center 355 West North Temple Salt Lake City, Utah 84180-1203



RE: Application for Permit to Drill Fotes 13-91, SW 1/4 of SW 1/4 of Sec. 13, T14S, R09E
S.L.B. & M., Carbon County, Utah

Dear Mr. Hebertson:

Enclosed is an original and one copy of an "Application for Permit to Drill" the well described above. Attached to the APD is the following information:

Attachment #1 - Copy of survey plat of proposed well site

Attachment #2 - Information regarding use of water at the site

Attachment #3 - Schematic of B.O.P.

Attachment #4 - Portion of topographic map indicating proposed well site, planned roads & pipelines, and offset wells within 1 mileradius

Attachment #5 - Additional drilling information furnished according to State regulations

Attachment #6 - Typical road cross-section

Attachment #7 - Well location map

Attachment #8 - Evidence of bond sent to State Lands and Forestry Division

Attachment #9 - Selected Points to be Addressed at On-Site Pre-Drill Evaluation

Attachment #10 - Typical Well Site Layout (Production Phase)

As you will notice, a surface land use agreement has not been submitted at this time. We are currently attempting to negotiate such an agreement with Lowdermilk Rock Products.

Also, please accept this letter as our request that all information regarding this permit be kept confidential, if said information is eligible for such consideration. This request is made in accordance with State of Utah Oil and Gas rule # R649-2-11.

Thank you for your assistance. Please feel free to contact me if you have questions.

Sincerely,

Terry D. Burns

Geologist

cc: Mr. Edward W. Bonner, Utah Department of Natural Resources

Mr. Eric Jones, BLM in Moab, Utah

Mr. Dean Nyffler, BLM in Price, Utah

Mr. Robert A. Hendricks, BLM in Salt Lake City, Utah

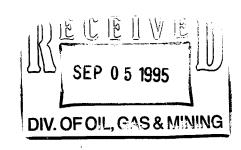
Mr. J.R. French, Texaco

Mr. R.A. Lamarre, Texaco

Mr. Gee Lake, Jr., Dominion Reserves

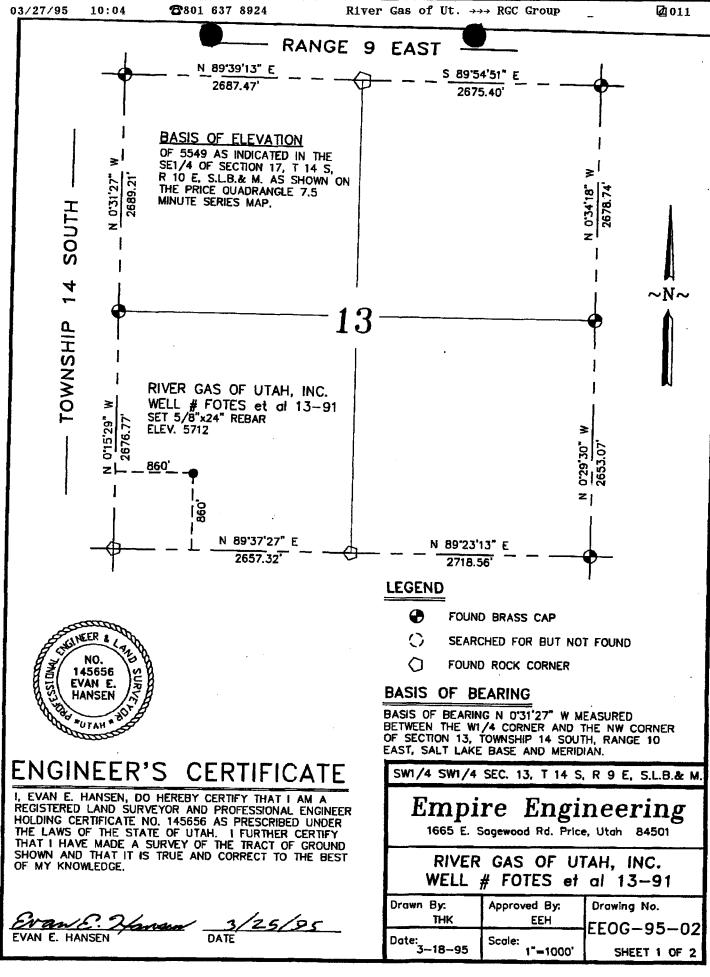
STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

	" DIAISTON OF C	MIL, GAS AND M.	THTHE			
					5. Lease Designation and Serial	No.
					Patented Land	
APPLICATION	FOR PERMIT TO	O DRILL, DEEP	EN, OR PLUC	G BACK	6. If Indian, Allottee or Tribe	Name
a. Type of Work						
	r 🔯	DEEPEN [	PLUG	BACK [	7. Unit Agreement Name	
b. Type of Well				. —	N/A	
Oil Ga Well We	other Coa	lbed Methane	Single  Zone	Multiple	3. Farm or Lease Name	
Name of Operator				20116	Fotes et al	
River Gas	Corporation				9. Well No.	
. Address of Operator			<del></del>		13-91	
511 Energy	y Center Bouleva	rd Northport	Δ1 35/76		10. Field and Pool, or Wildent	
. Location of Weil (Report	rt location clearly and in a	corriance with new State			Wildont	
At surface 8601	FWL, 860' FSL, S	Sec. 13, T14S,	RO9E		Wildcat 11. 00, Sec., 7., 8., M., or Blk.	
14			•	j	and Survey or Area	
At proposed prod, zone	same				SW/SW Sec. 13, T	14S, R
4. Distance in miles and	direction from nearest town	or post office*			12. County or Parrish 113. Stat	
	es west of Price				100 0	ie.
5. Distance from proposed			o. of acres in lease		Carbon   Ut.	
location to nearest property or lease line, (Also to nearest drig, li	ft.	ţu. 21	360	to this	f acres assigned s well 40	
<ol> <li>Distance from proposed to nearest well, drilling</li> </ol>	location*	19. P	roposeci depth	20. Rotary	y or cable tools	
or applied for, on this	lease, ft. 2800	,	2600 <b>'</b>			
L. Elevations (Show wheth	er DF, RT, GR, etc.)	<del></del>	2000	N.C	22. Approx. date work will star	
						-
3.	GR surveyed				September 20	<u>, 199</u> 5
		ROPOSED CASING AND	CEMENTING PROG	RAM		
Size of Hole	Size of Casing	Weight per Foot	Setting Depth		Quantity of Cement	
11"	8-5/8"	24#	300 <b>'</b>		110 sx	<u> </u>
7-7/8"	5-1/2"	17#	2570 <b>'</b>		265 sx	<del></del>
	<u>.</u>					<del></del>
				<u>-</u>		
					<del></del>	



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

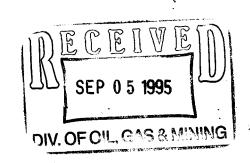
reventer program, if any.	the state of the s	area and true vertical depths. Give blowout
· I hereby certify that this report is true	and complete to the best of my knowledge.	
	O. Bun THI. Geologist	Date August 29, 1995
(This space for Federal or State office ose)		
API NO. 43-007-30287	Approval Date	
Approved by The Mal	theur metholum Enginee	N 9/2/95
Conditions of approval, if any:		



LUPBE (MYCHCAS (AG-8502 03/25/95 18:0)

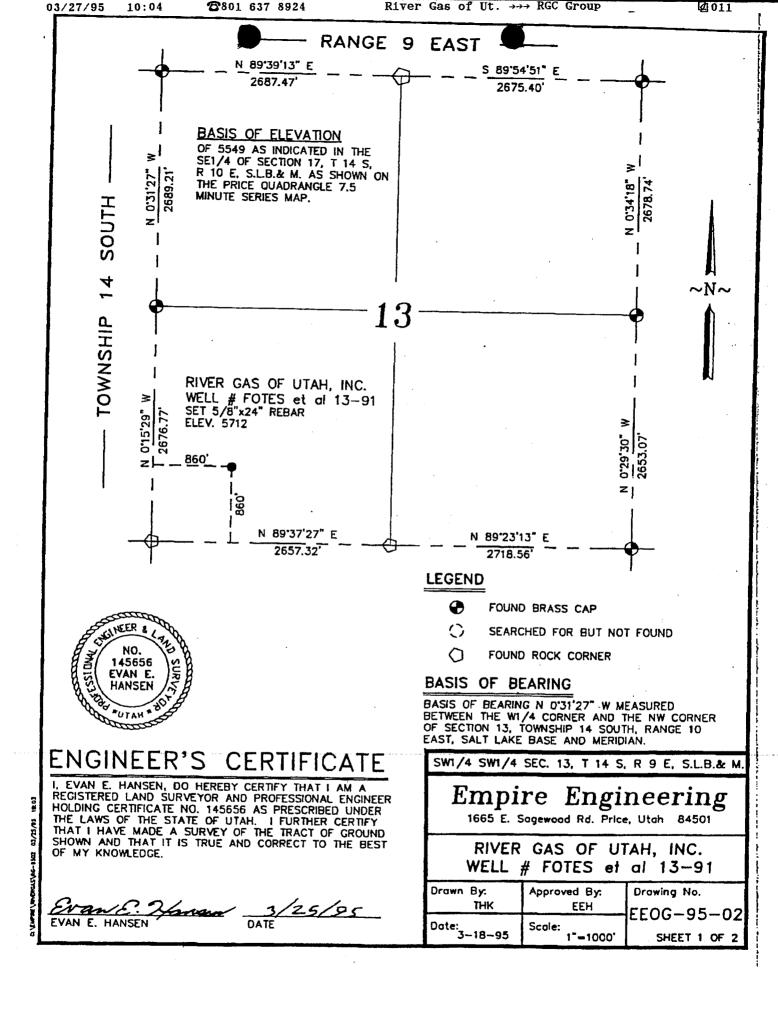
# STATE OF UTAH DIVISION OF OIL, GAS AND MINING

					5. Lease Designation and Serial No.	_
					Patented Land	
APPLICATION	FOR PERMIT T	O DRILL, DEEP	EN, OR PLU	JG BACK	6. If Indian, Allottee or Tribe Name	_
la. Type of Work		· · · · · · · · · · · · · · · · · · ·				
DRIL	LXI	DEEPEN	PLU	G BACK [	7. Unit Agreement Name	
b. Type of Well				_	N/A	
	other Coa	lbed Methane .	Single  Zone	Multiple  Zone	3. Farm or Lease Name	
2. Name of Operator					Fotes et al	
River Gas	Corporation				9. Well No.	_
S. Address of Operator			<del></del>	<del></del>	13-91	
511 Energy	Center Bouleva	rd Northport	A1. 35476	•	10. Field and Pool, or Wildest	-
4. Location of Weil (Repor	location clearly and in a	cordance with any State	TPGUITEMANT *1		Wildcat	
800 1	WL, 860' FSL, S	sec. 13, 1145,	ROSE		11. QQ, Sec., I., R., H., or Blk. and Survey or Area	<del></del>
At proposed prod. zone		4			· ·	ъ0.
	same			•	SW/SW Sec. 13, T14S,	, ку
	lirection from nearest town				12. County or Parrish   13. State	
	es west of Price	2, UT.			Carbon Ut.	
15. Distance from proposed location to nearest	ļ•	16. N	o. of acres in lease	17. No. o	of acres assigned	-
property or lease line, (Also to nearest drig, li-	ft. ne, if any)		360	to thi	s well 40	
<ol> <li>Distance from proposed to nearest well, drilling</li> </ol>	location*	19. P:	roposeci depth	20. Rotar	y or cable tools	-
or applied for, on this I	ease. ft. 28001	2	2600 <b>'</b>	R	otary	
21. Elevations (Show whether	er DF, RT, GR, etc.)				22. Approx. date work will start*	-
5712'	GR surveyed			•	September 20, 19	95
23.		ROPOSED CASING AND	CEMENTING PRO	GRAM		
Size of Hole	Size of Casing	Weight per Foot	Setting Depth		Quantity of Cement	
11"	8-5/8"	24#	300 <b>'</b>		110 sx	<b>-</b> ·
7 <u>-7/8"</u>	5-1/2"	17#	2570 <b>'</b>		265 sx	-
	<u> </u>					-
·····						-



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. I hereby certify that this report is true and complete to the best of my knowledge.	
Signed Terry D. Burns 20. Bue Title Geologist	Date August 29, 1995
(This space for Emieral or State office me)	
11 10. 43-007-30287 Approval Base	, /
Accroved by IBV atthews whether the thelium manner	9/25/95
Conditions of approval, if any:	_ Date



### RIVER GAS CORPORATION

### Additional Drilling Information

Fotes et al 13-91

860' FWL & 860' FSL Section 13, Township 14 South, Range 09 East

### R649-3-4 Permitting of Wells to be Drilled, Deepened or Plugged Back

2.1 Telephone numbers for additional information:

Steven L. Prince Operations Manager	(801)637-8876 Office (801)650-1211 Mobile
Fred Passarella Pumper	(801)637-8876 Office (801)650-1296 Mobile
Randy Nairemore	(801)637-8876 Office (801)650-1210 Mobile
Michael J. Farrens Vice President	(205)759-3282 Office (205)758-8535 Home (801)650-1162 Mobile

- 2.2 Lease: Patented Land
- This gas well will be drilled approx. 860' outside the northeast boundary of the Drunkards Wash Unit (UTU 67921X)
- 2.4 Survey Plat: See Attachment #1
- 2.5 Water will be purchased from Price River Water Improvement District: See Attachment #2.
- 2.6 Drilling program.
- 2.6.1 The following geologic units are expected to be penetrated in the well.

Formation/Unit	Depth (ft)
Upper Mancos Shale	Surface
Blue Gate/Ferron Sandstone	1700
Ferron/Tununk Shale	1990
TD	2600

- 2.6.2 The coals and sandstones within the Ferron Sandstone Member of the Mancos Shale are expected to be the only gas and water bearing formations in well, at approx. 1700 1870'. No near surface groundwater is expected to be encountered. 8 5/8", 24 lb/ft surface casing will be set to 300' and cemented with 110 sacks of class "G" cement with 2% CaCl2, which has a density of 15.80 lb/gal. 5-1/2" 17# WC75 production casing will be run and cemented with approximately 200 sacks 50/50 Pozmix cement and tail-in with 65 sacks "RFC".
- 2.6.3 A double gate 3000 psi BOPE will be used with a rotating head. This equipment will be tested to 2100 psi or 70% of the minimum internal yield pressure. All tests will be recorded in a Driller's Report Book. Physical operation of BOP's will be checked on each trip. See Attachment #3 for Schematic.
- 2.6.4 None.
- 2.6.5 Mud Program:

### <u>Depth</u>

0-300

11" hole

Drill with air, will mud-up if

necessary.

300-2600

7-7/8" hole

Drill with air.

400 psi @ 1500-1800 Scf.

2.6.6 Logging Program:

Depth

0-300

Gamma Ray

300-2600

Gamma Ray, Density, Neutron porosity, Induction,

Caliper

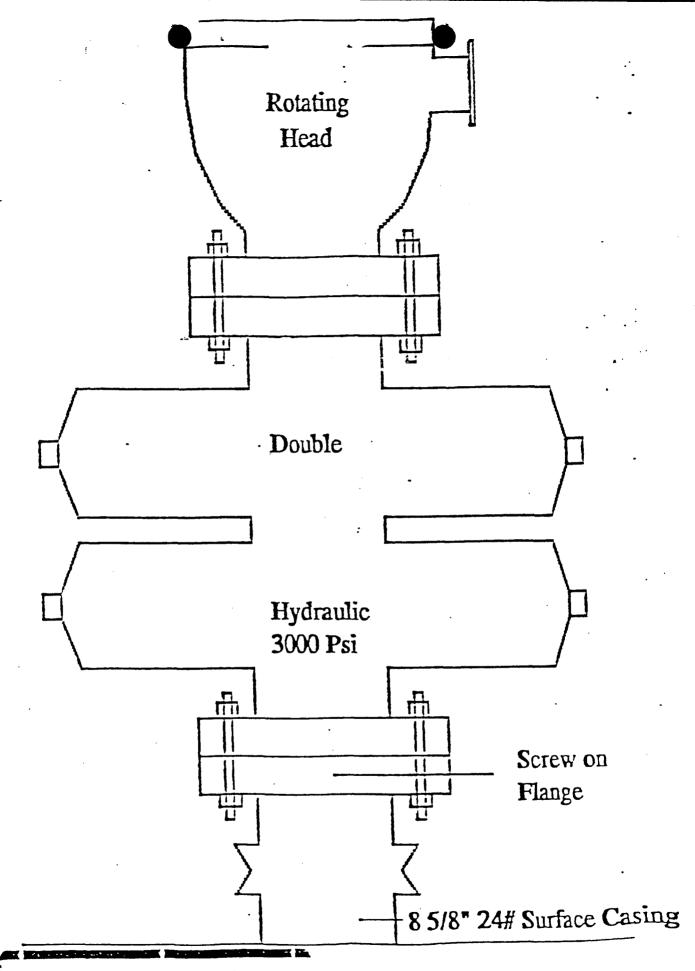
2.6.7 We expect 1100 psi for bottom hole pressure.

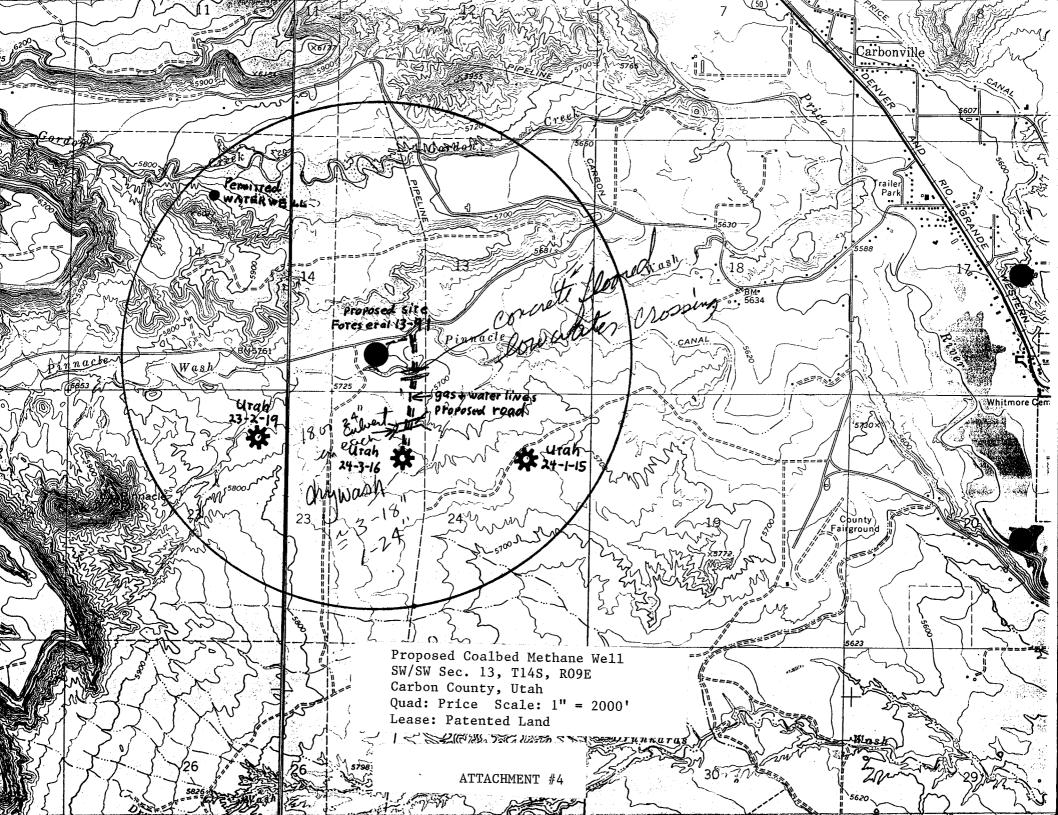
No hazards are expected.

### RIVER GAS OF UTAH, INC. ATTACHMENT #2

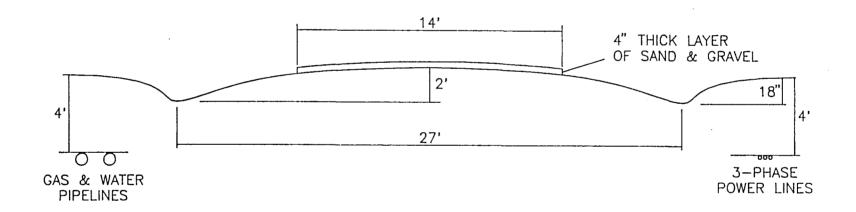
RE: Use of Water During Drilling Operations

As stated, water which we will be using is to be purchased from the Price River Water Improvement District (Tel. 801-637-6350). This has been arranged by Mr. Michael J. Farrens, Drilling Supervisor for River Gas of Utah, Inc. He has been in contact with Mr. Phillip Palmer. Mr. Farrens has discussed this arrangement with Mark Page of the Division of Water Rights (Tel. 801-637-1303) over the telephone. The Division of Water Rights is to furnish the Oil & Gas Division with a letter of approval concerning this matter.



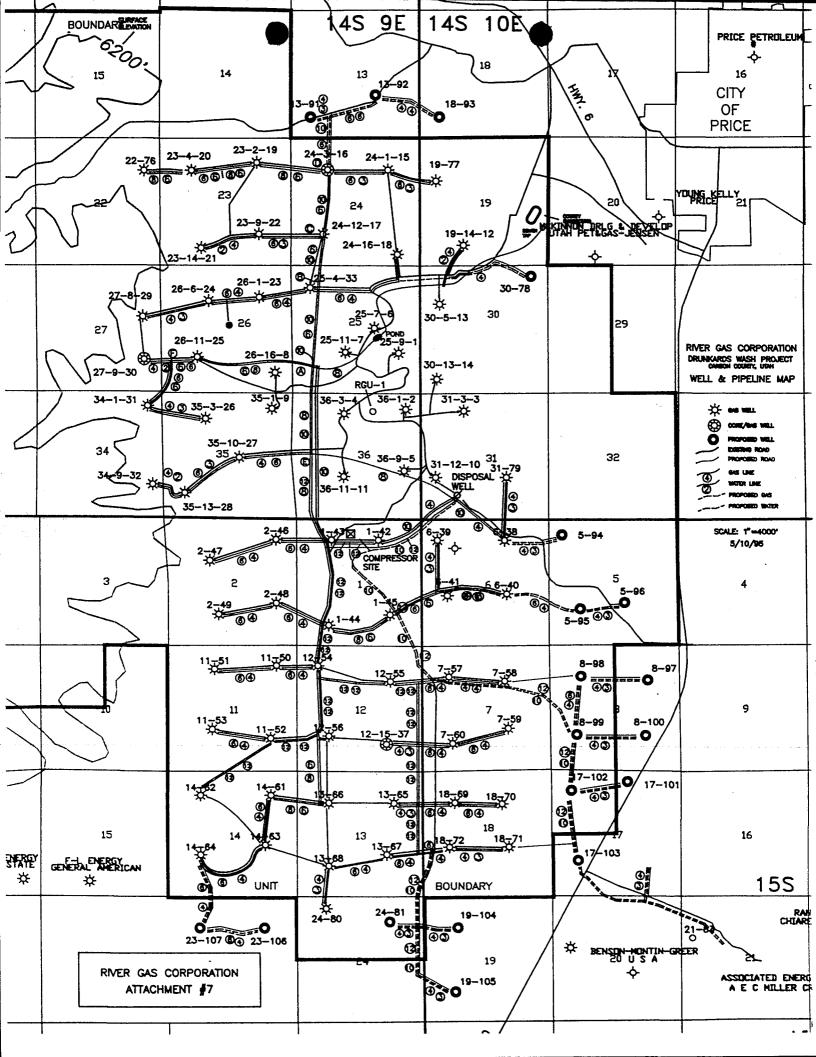


### RIVER GAS CORPORATION



# TYPICAL ROAD CROSS-SECTION

NOT TO SCALE



TELEX: 6827189 Cable: AMSOUBKBHM S.W.I.E.T.AMSB US: 44

AMENDMENT NUMBER: 003
TO LETTER OF CREDIT NUMBER: 5304606
DATE: DECEMBER 29, 1993

BENEFICIARY:
STATE OF UTAH, DEPARTMENT OF
NATURAL RESOURCES, DIVISION OF
STATE LANDS AND FORESTRY
#3 TRIAD CENTER SUITE 400
355 WEST TEMPLE
SALT LAKE CITY, UTAH 84180-1204

AT THE REQUEST OF RIVER GAS OF UTAH, INC.
AND FOR THE ACCOUNT OF SAME
WE HEREBY AMEND OUR LETTER OF CREDIT NUMBER 5304606
DATED DECEMBER 14, 1990
OPENED IN YOUR FAVOR AS FOLLOWS:

ACCOUNT PARTY'S ADDRESS IS NOW TO READ! 3500 WATERMELON ROAD, SUITE 204, NORTHPORT, ALABAMA 35176.

-LATEST NEGOTIATION DATE IS EXTENDED TO DECEMBER 13, 1994.

-ADD: THIS LETTER OF CREDIT WILL BE AUTOMATICALLY RENEWED WITHOUT AMENDMENT FOR SUCCESSIVE PERIODS OF ONE (1) YEAR EACH, UNLESS AT LEAST 60 DAYS PRIOR TO THE INITIAL EXPIRATION DATE OR ANY SUCCESSIVE EXPIRATION DATE THE ISSUING BANK GIVES THE BENEFICIARY NOTICE BY REGISTERED LETTER TO THE ADDRESS ABOVE THAT THE ISSUING BANK ELECTS NOT TO HAVE THIS LETTER OF CREDIT RENEWED FOR SUCH ADDITIONAL ONE YEAR PERIOD.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.
THIS AMENDMENT BECOMES AN INTEGRAL PART OF THE ORIGINAL LETTER OF
CREDIT AND IS TO BE ATTACHED THERETO.

AUTHORIZED STONATURE

AVIHORIZED SIGNATURE

RIVER GAS OF UTAH, INC. ATTACHMENT #8 AmSouth Bank N.A.
1900 5th Avenue North
Birmingham, Alabama 35203-2610 USA

### International Department

TELEX: 6827189 Cable: AMSOUBKBHM S.W.I.F.T.AMSB US 44

AMENDMENT NUMBER: 004
TO LETTER OF CREDIT NUMBER: S304606

DATE: JANUARY 24, 1995

BENEFICIARY:
STATE OF UTAH, DEPARTMENT OF
NATURAL RESOURCES, DIVISION OF
STATE LANDS AND FORESTRY
#3 TRIAD CENTER SUITE 400
355 WEST TEMPLE
SALT LAKE CITY, UTAH 84180-1204

AT THE REQUEST OF RIVER GAS OF UTAH, INC. 3600 WATERMELON ROAD SUITE 204 NORTHPORT, ALABAMA 35476 AND FOR THE ACCOUNT OF SAME WE HEREBY AMEND OUR LETTER OF CREDIT NUMBER S304606 DATED DECEMBER 14, 1990 OPENED IN YOUR FAVOR AS FOLLOWS:

A-ACCOUNT PARTY'S NAME IS NOW CHANGED TO:

-THE NAME OF THE ISSUING BANK IS CHANGED FROM AMSOUTH BANK N.A. TO AMSOUTH BANK OF ALABAMA.

\*\*REFERENCES HEREIN TO AMSOUTH BANK N.A. SHALL BE DEEMED TO REFER TO AMSOUTH BANK OF ALABAMA.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.
THIS AMENDMENT BECOMES AN INTEGRAL PART OF THE ORIGINAL LETTER OF CREDIT AND IS TO BE ATTACHED THERETO.

SUTHORIZED SIGNATURE

### **Attachment #9**

Fotes et al 13-91 860' FWL, 860 ' FSL, SEC. 13, T14S, R09E

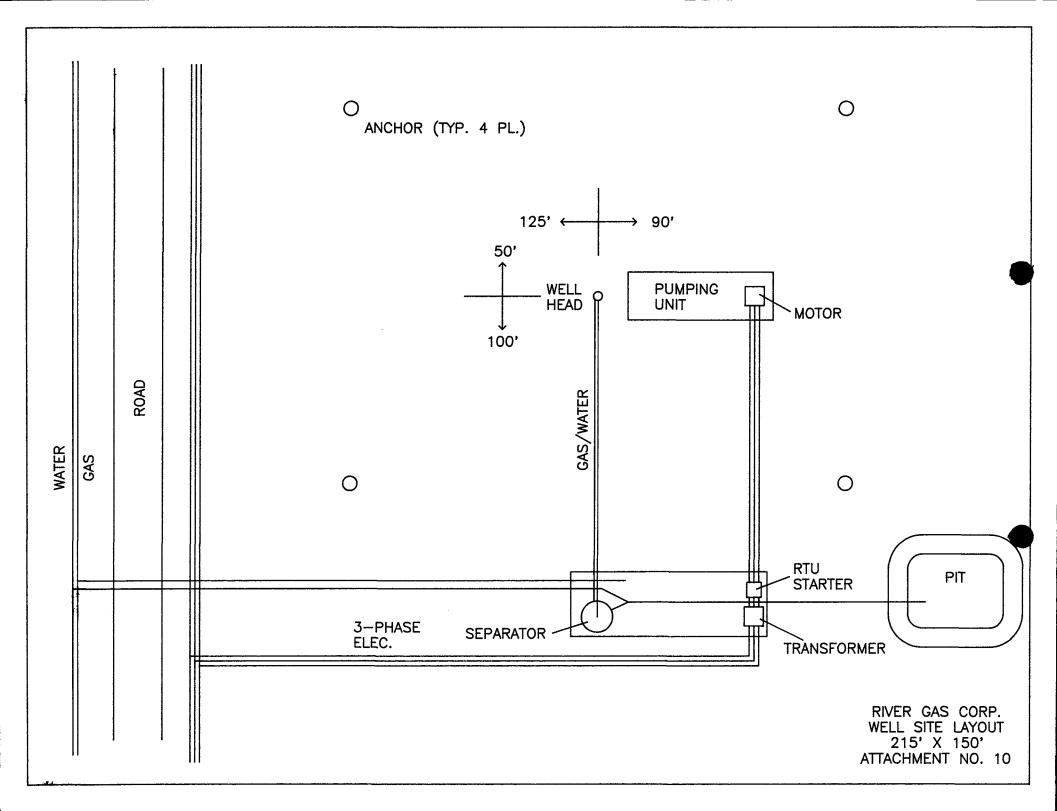
### Selected Points to be Addressed in On-site Predrill Evaluation

Surface Owner:

Lowdermilk Rock Products, Inc. Richard Lee, Pres. P.O. Box 509 Helper, Ut. 84526 Ph. 801-472-3460

### Surface Use Plan

Point #2	Planned Access Roads - Access will be from Pinnacle Peak Road. A new road, approximately 2500' in length, will be constructed in order to access the proposed pipeline between proposed well and well #16 (See attachment #4)
Point #3	Wells within 1-mile radius of proposed location - Three producing gas wells operated by River Gas Corporation are located < 1 mile south of proposed location (Attachment #4). According to Division of Water Rights, a water well was permitted 3/4 mile northwest of location by Anton Michelog in 1948.
Point #4	Location of Production Facilities and Pipelines - See Attachment #4
Point #6	Source of Construction Material - Other than native Mancos Shale, sand and gravel will be purchased from a local construction company
Point #7	Waste Management Plan - All drill cuttings will be diverted to pit, as well as fluids encountered. Afterwards, the fluids will be allowed to evaporate and cuttings will be buried. Also, a portable bathroom facility will be provided during drilling operations
Point #9	Well Site Layout - The separator will be located on the "cut" side of the location (See Attachment #10)





# DIVISION OF OIL, GAS AND MINING

Ted Stewart **Executive Director** James W. Carter Division Director 801-359-3940 (Fax) 801-538-5319 (TDD)

355 West North Temple 3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203 801-538-5340 801-359-3940 (Fax)

September 25, 1995

River Gas Corporation 511 Energy Center Boulevard Northport, AL 35476

Re: Fotes et al 13-91 Well, 860' FSL, 860' FWL, SW SW, Sec. 13, T. 14 S., R. 9 E., Carbon County, Utah

### Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-007-30287.

Sincerely,

Associate Director

pjl **Enclosures** 

Carbon County Assessor

Bureau of Land Management, Moab District Office

WAPD



Operator:		Gas Co	rporati	on		· · · · · · · · · · · · · · · · · · ·		-
Well Name &	Number:	Fot	es et a	13-91				_
API Number:	43-	007-302	287					
Lease:	Patented 1	Land						_
Location:	SW SW	Sec	13	_ T	14 S.	_ R	9 E.	

### **Conditions of Approval**

### 1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

### 2. Notification Requirements

Notify the Division within 24 hours following spudding the well or commencing drilling operations. Contact Jimmie Thompson at (801)538-5340.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Frank Matthews or Mike Hebertson at (801)538-5340.

### 3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

### 4. On-site Predrill Evaluation and Review

Compliance with all requirements and stipulations developed during the onsite evaluation and review.

STATE OF UTAH DIVISION OF OIL, GAS AND MINING

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k	1				CALITI	110.

OCT

6 1995

•			100 001	1 3 1995	5. Lease Designation a		-
					Patented I		_
APPLICATION  1a. Type of Work	FOR PERMIT TO	O DRILL, DEEP	EN, OR PLU	JG BACK	NING	or Tribe Name	
DRILL	M	DEEPEN [	P1110	G BACK []	T. Unit Agreement Nar	ne	-
b. Type of Well	_		1 20	o back []	N/A		
Oil Gas Weil Weil	Other Coa	lbed Methane	Single  Zone	Multiple	3. Farm or Lease Nam	ie	-
1. Name of Operator					Fotes et al	_	
River Gas (	Corporation				9. Well No.		•
C. Address of Operator					13-91		_
511 Energy Location of Weil (Report	Center Bouleva	ard Northport	, Al. 35476		10. Field and Pool, or	Wildest	
At surface 860' F	WL, 860 FSL,	Sec. $13$ , $T14S$ ,	R09E		Wildcat		_
			•		and Survey or Area	, or sit.	
	same				SW/SW Sec.	13, T14S,	R9F
14. Distance in miles and di					12. County or Parrish	13. State	•
	s west of Price				Carbon	Ut.	
<ol> <li>Distance from proposed* location to nearest property or lease line, ft (Also to nearest drig, line</li> </ol>	_	16. 5	io. of acres in lease		of acres assigned is well 40		•
13. Distance from proposed	location*	19. P	roposed depth	20. Rotaz	y or cable tools		
to nearest well, drilling, or applied for, on this let	rompleted.		2600 <b>'</b>	· R	otary		
21. Elevations (Show whether	DF, RT, GR, etc.)		2000		22. Approx. date wor	k will start*	
5712 <b>'</b> (	GR surveyed				Sentemb	er 20, 199	95
23.		ROPOSED CASING AND	D CEMENTING PRO	OGRAM		20, 17.	
Size of Hole	Size of Casing	Weight per Foot	Setting Depth	<u> </u>	Quantity of Cemen		
11"	8-5/8"	24#	300'	<u> </u>	110 sx	<del>`;-</del>	. •
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IN ABOVE SPACE DESCRI	BE PROPOSED PROCE	M: If proposal is to de	epen or plug back.	give data on pres	ent productive zone and	reposed new pro-	
preventer program, if any,	or weeken milet	onany, Live percinent dat	N OU INDENTITURE IOC	ations and measur	red and true vertical dep	ths. Give blowout	
14. I hereby certify that	this report is true and	complete to the best of	f my knowledge.				

\*See Instructions On Reverse Side

Branch-of-Fluid Minerals

**Moab District** 

(3/89)

Conditions of approval, if any:

Date: 3-18-95

Scale:

1"-1000"

EEOG-95-02

SHEET 1 OF 2



# State of Utah Division of Oil, Gas & Mining (OGM)

# ON-SITE PREDRILL EVALUATION AND REVIEW FOR APPLICATION FOR PERMIT TO DRILL (APD)

			<u> </u>					
OPERATOR								
River Gas Corporation								
WELL NO.			LEASE NO.					
Fotes et al 13-91			Patented Land					
API No.			LEASE TYPE					
43-007-30287			State	Fee X				
PROPOS	ED LOCATION							
	1/4/1/4	SECTION	TOWNSHIP	RANGE				
	SW SW	13	14 South	9 East				
	COUNTY		FIELD					
	Carbon		Undesignated					
	SURFACE	M-						
	860' FSL 860	'FWL						
	BOTTOM HOLE							
	Same as Above							
	GPS COORDINATES							
	North 383523 (truncated) East 511292							
SURFAC	CE OWNER							
Lowdermilk Rock Products, Inc. P.O. Box 509 Helper, UT 84526								
Phone (801)472 3460								
SURFACE AGREEMENT Yes X No								
LOCATING AND SITING								
	UAC R649-2-	-3. Unit						
]	X UAC R649-3-							
	UAC R649-3-3. Exception							
	UCA 40-6-6. Drilling Unit Cause No.							

#### DRILLING PROGRAM

The following information should be included in the Application for Permit to Drill submitted.

- 1 Surface Formation and Estimated Tops/Geologic Markers
- 2 Estimated Depths and Names of Anticipated Water, Oil, Gas or other Mineral Bearing Formations
  - (All fresh water sands encountered during drilling shall be recorded and reported to the Division on Form 7.)
- 3 Well Control Equipment & Testing Procedures
- 4 Proposed Casing and Cementing Program
- 5 Mud Program, Circulating Medium, and Monitoring equipment
- 6 Coring, Testing, and Logging Program
- 7 Expected Bottom Hole Pressures and any anticipated Abnormal Pressures, Temperatures or Potential Hazards such as hydrogen sulfide, expectations and contingency plans for mitigating identified hazards
- 8 Any other information relative to the proposed operation.

#### SURFACE USE PLAN

1. Current Surface Use

Rangeland

2. Proposed Surface Disturbance

See attached drill plat.

3. Existing Roads

Runs generally east-west about 70' off the north edge of the drill pad.

4. Planned Access Roads (include length of new road, length of existing road to be upgraded, maximum disturbed and travel surface widths, maximum grades, turnouts, surface materials, drainage, cattleguards)

North app. 70' from the northwest corner of the pad to the existing road. A bar ditch culvert will be installed. In addition, a new, 2500' long, pipeline access road is planned to run from the existing road near this location to the River Gas #16 well ~1/2 mile south.

5. Location of existing wells within one-mile radius of proposed location, include water, injection, producing, drilling with present status of each well

Within a mile of the location River Gas Corporation operates three gas wells and, according to the Division of Water Rights, a water well was permitted in 1948 for a location about 3/4 of a mile to the northwest.

6. Location of Production Facilities and Pipelines

Questar 6" and 16" gas pipelines running north-south ~1000' east of the location.

7. Waste Management Plan

Portable toilets and dumpsters will be employed.

8. Ancillary Facilities

None

9. Well Site Layout

See attached, modified drilling location plat provided @ onsite meeting.

- 10. Reserve Pit
  - a. Characteristics

50'x50'x6' in Mancos Shale derived alluvial soil.

b. Lining (Site ranking form attached)

Native soil as above.

### 11. Surface Restoration Plans

Surface restoration as per Surface Owner Agreement. Affadavit or copy of Surface Owner Agreement will be provided.

### SURFACE GEOLOGY AND OTHER OBSERVATIONS

1. Regional Setting/Topography

The location is about 1.0 mile east of the western Book Cliffs (below the Wasatch Plateau) beside the floodplain of dry Pinnacle Wash, amongst low erosional hills developed in the Mancos Shale and western Book Cliff colluvium. Minor arroyos are nearby. The topography dips to the east toward the Price River app. 2.5 miles distant.

2. Soil Type and Characteristics

Primarily clay alluvium with desseminated sand and gravel.

3. Surface Formation & Characteristics

Mancos Shale weathering to light tan.

4. Erosion/Sedimentation/Stability

App. 20' deep dry wash ~30' south of the pad. Stability is OK.

5. Paleontological Potential Observed

#### None

6. Location and Type of Water Supply (include Division of Water Rights approval or identifying number)

City of Price Water District.

7. Cultural Resources/Archaeology (if proposed location is on State land, has an archaeology clearance been obtained?)

Private surface.

8. Affected Floodplain and/or Wetlands

Is a 404 dredge and fill permit required? (Any activity which will change the bottom elevation of the "waters of the United States" including wetlands, natural and artificially created waters, and even some drainages may require a permit from the Army Corps of Engineers)

No-Steve Prince and I discussed the possibility of getting an area clearance from the local Corp of Engineers office for the River Gas operating area to simplify this function.

#### 9. Flora/Fauna

(Briefly describe the flora found on the proposed site and the fauna evidenced or sighted on or near the proposed location)

Rabbitbrush, greasewood, indian ricegrass, etc.

### Comments

Changes made to site layout plat:

- 1. reserve pit is moved to the west edge of the pad.
- 2. access road is moved to the northwest corner of the pad.
- 3. the west side of the pad is moved 25' farther west.
- 4. Recommend that the 2500' pipeline access road receive three 18" culverts and one 24" culvert in certain minor arroyos and a concrete-floored low water crossing in Pinnacle Wash.

Onsite Participants

Larry Jensen & Steve Prince

Chris Kierst

9/14/95 2:29 PM

OGM Representative

Date and Time

### STATEMENTS OF BASIS

FOR

### OGM Review and Approval of Application for Permit to Drill (APD)

Operator River Gas Corporation	Well Fotes et al 13-91					
ENGINEERING/LOCATING and SITING						
The proposed location meets the location and siting requirements of R649-3-2. The application and proposed casing and drilling plan appear to be consistent with accepted industry standards of practice and sound engineering design. A casing design safety check is attached. Blow out prevention and moniitoring/contingency plans are adequate.						
Signature Frank Matthews	Date 22-Sept-95					
GEOLOGY/GROUND WATER						
Ground water should not be encountered until the producing gas zone is reached. The proposed casing and cement program will adequately protect any water encountered.						
Signature Dan Jarvis	Date 09/21/95					
SURFACE						
An onsite evaluation was conducted and the site characterized and photographed on 9/14/95 with River Gas Corporation and dirt contractor personnel. The provided drilling layout plat was modified as described previously. Provision was made to ensure the integrity of groundwaters, drainage patterns, litter control, other resources and local infrastructure. A course of action was established if operator personnel observe that the sediments are likely to be more transmissive than expected. I believe the other impacts of this location on the environment are minor and that the site will be rehabilated to a standard which is conformable with the surface owner agreement.  Opinions and recommendations were requested and made regarding the need for culverts and crossings along a proposed road originating alongside this location.						
photographed on 9/14/95 with River Gas Corport personnel. The provided drilling layout plate previously. Provision was made to ensure the drainage patterns, litter control, other rescinfrastructure. A course of action was established between the sediments are likely to be made expected. I believe the other impacts of this are minor and that the site will be rehabilated conformable with the surface owner agreement. Opinions and recommendations were requested for culverts and crossings along a proposed in	ration and dirt contractor t was modified as described e integrity of groundwaters, ources and local olished if operator personnel more transmissive than is location on the environment ted to a standard which is d and made regarding the need					
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- 1. If organized lenses of sand or gravel are encountered while digging the pit the operator will seek D.O.G.M. guidance regarding the need for a more competent liner.
- 2. A culvert will be laid in the bar ditch of the existing road to accomodate the access road.
- 3. Site infrastructure as per modified drilling location plat provided by Steve Prince at onsite meeting.

### **ATTACHMENTS**

4 photos and drilling location plat.

# Evaluation Ranking Criteria and Ranking Score For Reserve and Onsite Pit Liner Requirements

Site-Specific Factors	Ranking Score	Final Ranking Score		
Distance to Groundwater (feet)		0		
>200				
100 to 200	0 5			
75 to 100	10			
25 to 75	15			
<25 or recharge area	20			
123 of recharge area	20			
Distance to Surf. Water (feet)		0		
>1000	0			
300 to 1000	2			
200 to 300	10			
100 to 200	15			
< 100	20			
Distance to Nearest Municipal Well (feet)		0		
>5280	0			
1320 to 5280	5			
500 to 1320	10			
<500	20			
Distance to		0		
Other Wells (feet)				
>1320	О			
300 to 1320	10			
<300	20			
Native Soil Type		0		
Low permeability	О			
Mod. permeability	10			
High permeability	20			

Fluid Type		0
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or	15	
Oil Base Mud		
Fluid containing	20	
significant levels of		
hazardous constituents		
Drill Cuttings		0
Normal Rock	0	
Salt or detrimental	10	
Annual Precipitation (inches)		5
•		
<10	0	
10 to 20	5	
>20	10	
Affected Populations		10
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	
Presence of Nearby		0
Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	

Final Score	15

### STATE OF UTAH, DIV OF OIL, GAS & MINERALS

Operator: RIVER GAS CORPORATION | Well Name: FOTES ET AL 13-91

Project ID: 43-007-30287 | Location: SEC. 13 - T148 - R9E

<u>Design Parameters:</u>

Design Factors:

	-					
Mud weight (8.33 ppg)	: 0.433	psi/ft	Collapse	:	1.125	
Shut in surface pressure	: 1054	psi	Burst	:	1.00	
Internal gradient (burst)	: 0.027	psi/ft	8 Round	:	1.80	<b>(J)</b>
Annular gradient (burst)	: 0.000	psi/ft	Buttress	:	1.60	(J)
Tensile load is determined	using air	weight	Other	:	1.50	(J)
Service rating is "Sweet"			Body Yield	:	1.50	(B)

	Length (feet)	Size (in.)	Weight (lb/ft)	Grad	e Joi		Depth (feet)	Drift (in.)	Cost
1	2,600	5.500	17.00	WC-	75 LT&0	3	2,600	4.890	
	Load (psi)	Collapse Strgth (psi)	S.F.	Burst Load (psi)	Min Int Strgth (psi)	Yield S.F.	Load	Tension Strgth (kips)	S.F.
1	1125	6040	5.369	1125	7300	6.49	44.20	327	7.40 J

Prepared by : MATTHEWS, Salt Lake City, Utah

Date

09-22-1995

Remarks

09-22-1995

Minimum segment length for the 2,600 foot well is 1,500 feet.

SICP is based on the ideal gas law, a gas gravity of 0.69, and a mean gas

temperature of 92°F (Surface 74°F , BHT 110°F & temp. gradient 1.400°/100 ft.)

String type: Production

The mud gradient and bottom hole pressures (for burst) are 0.433 psi/ft and

1,125 psi, respectively.

NOTE:

The design factors used in this casing string design are as shown above. As a general guideline, Lone Star Steel recommends using minimum design factors of 1.125 - collapse (with evacuated casing), 1.0 - (uniaxial) burst, 1.8 - API 8rd tension, 1.6 - buttress tension, 1.5 - body yield tension, and 1.6 - EUE 8rd tension. Collapse strength under axial tension was calculated based on the Westcott, Dunlop and Kemler curve. Engineering responsibility for use of this design will be that of the purchaser.

Costs for this design are based on a 1987 pricing model. (Version 1.07)

1" = 40' Sheet: 2 of 2

The summation of all of the above ranking scores will yield one value which shall be used to determine the appropriate type of containment, on a case-by-case basis. The sensitivity levels are as follows:

Level I Sensitivity: For scores totaling ≥20

Level II Sensitivity: For scores totaling 15 to 19

Level III Sensitivity: For scores totaling <15

### Containment Requirements According to Sensitivity Level

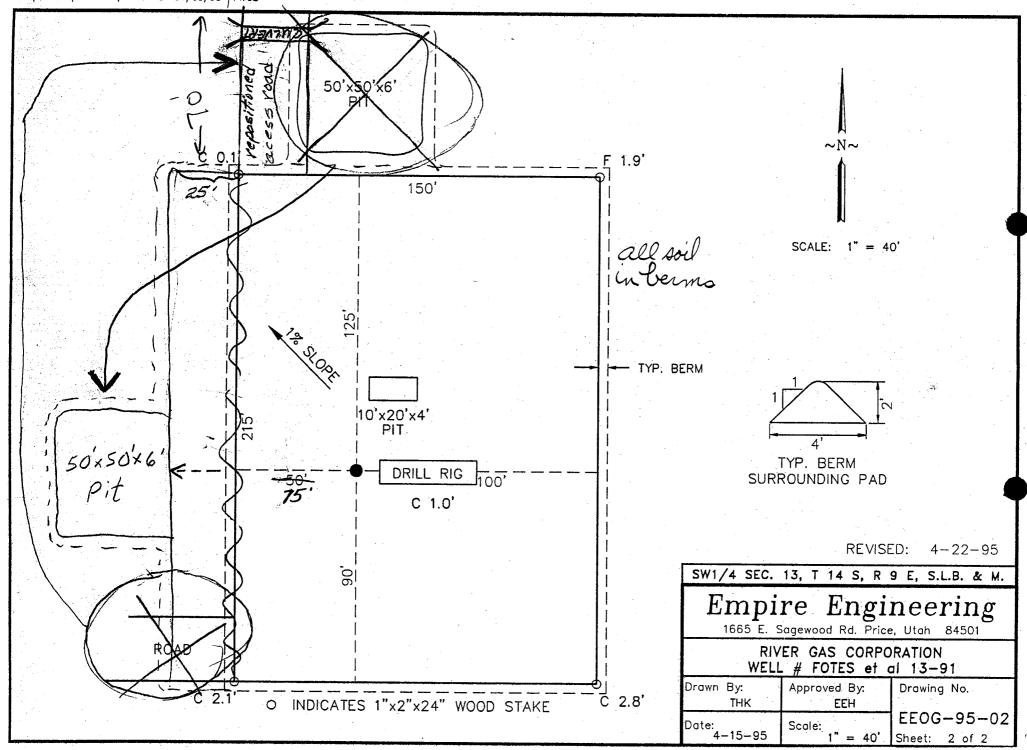
Level I: Requires total containment by synthetic liner, concrete structure or other type of total containment structure or material.

Level II: Bentonite or other compatible lining is discretionary depending on the fluid to be contained and environmental sensitivity.

Level III: No specific lining requirements.

#### OTHER GUIDELINES FOR PITS

- 1. Unlined pits shall not be constructed on areas of fill materials.
- 2. A pit shall not be constructed in a drainages or floodplain of flowing or intermittent streams.
- 3. Synthetic liners used for lining reserve pits, shall be of 12 mil thickness or greater and shall be compatible with the fluid to be contained. Synthetic liners used for lining onsite pits with a longer expected life shall be a minimum of 30 mil thickness or as approved by the Division.
- 4. Synthetic liners shall be installed over smooth fill material which is free of pockets, loose rocks or other materials which could damage the liner.
- 5. Monitoring systems for pits or closed mud systems may be required for drilling in sensitive areas.





River Gas Corp. Fotes 13-91 location presite Meeting 9/14/95 View South-bank of Prinnacle Wash visible Kinst

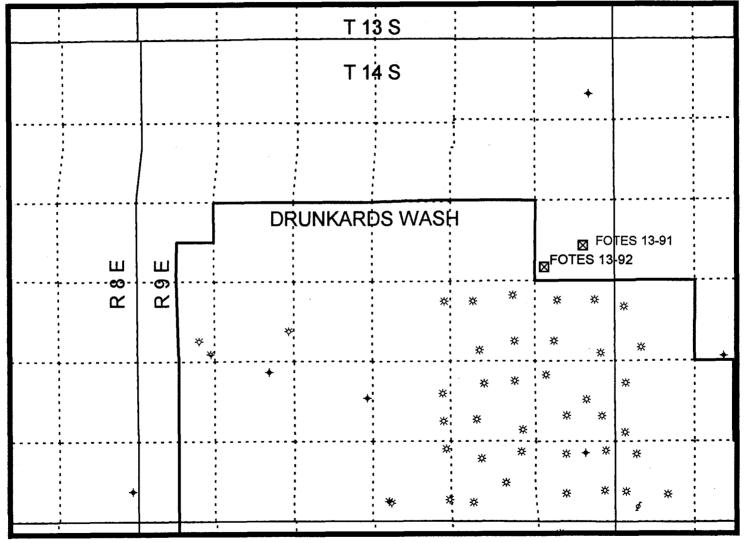
River Gas Gorp. Fotes 13-91 location presite meeting 9/14/95 View East

River Gas Corp. Fotes 13-91 location presite meeting 9/14/95 View West

Kierst

River Gas Corp. Fotes et al 13-91 location Presite meeting 9/14/95 View to North-stake 1/4" to right of gray vehicle Kinst

## RIVER GAS CORPORATION DRUNKARDS WASH DEVELOPMENT SEC. 13, T14S, R9E CARBON COUNTY, STATE SPACING





STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS & MINING

DATE: 9/6/95



Michael O. Leavitt Governor Ted Stewart Executive Director James W. Carter Division Director 1594 West North Temple, Suite 1210 Box 145801 Salt Lake City, Utah 84114-5801 801-538-5340 801-359-3940 (Fax) 801-538-7223 (TDD)

February 28, 1997

Mr. Terry Burns River Gas Corporation 511 Energy Center Boulevard Northport, Alabama 35476

Re:

Fotes et al 13-91 Well, Sec. 13, T. 14S, R. 9E, Carbon County, Utah,

API No. 43-007-30287

Dear Mr. Burns:

Due to excessive time delay in commencing drilling operations, approval to drill the subject well is hereby rescinded, effective immediately.

Please note that a new Application for Permit to Drill must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division of Oil, Gas and Mining immediately.

Sincerely,

Don Staley

Administrative Manager

Oil and Gas

cc:

R.J. Firth

K.M. Hebertson

Well File